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Travel Outlook Forum to Discuss "Open Skies"

Recent talks between the United States and Canada have again peaked interest in the issue of "open skies," which would enable Canadian airlines to operate within the United States and U.S. carriers to operate within Canada.

A select panel of international executives will be discussing the potential impact of an "open skies" agreement at the U.S. Travel Data Center's 1992 Travel Outlook Forum, to be held on October 23, 1991 at the Sheraton Washington Hotel in Washington.

The United States initially started to negotiate more liberal air transportation agreements with foreign countries in the late 70s, but it has been a very slow process.

"The concept of 'open skies' is more of a principle or objective," said Jean O'Brien, deputy director, Office of Policy and Planning at the United States Travel and Tourism Administration (USTTA). "In principle, a carrier will pick up the markets that they want to enter, determined by the marketplace and not the government, with the freedom to exit the market."

The goal of an "open skies" aviation policy is to negotiate competitive air transportation networks with trading partners that respond to market demands and opportunities, according to the USTTA.

The United States has tabled "open skies" proposals with Canada, France, Germany and the United Kingdom, but recent talks have again surfaced with Canada. An "open skies" agreement with Canada would help close the gap between consumer demand and supply in the U.S. - Canadian market, the largest gap of any other bilateral market.

Talks between the U.S. and Canada began in late April this year and several others are scheduled in the coming months. "The United States and Canada are negotiating to remove all economic barriers that will prohibit open skies," said Susan McDermott, assistant director for negotiations in the Office of International Aviation. "There is a broad agreement in principle of open skies between both countries, it is just the matter of how it will be accomplished."

"The talks are very much in the preliminary stages, but they are proceeding in a positive manner," said Blair F. Stevens, director general, Research, Tourism Canada.

The agreement will enable the United States to become stronger and more competitive in the international market. The concept is very beneficial to everyone involved, increasing the ability to attract foreign visitors to each respective country.

The current U.S. - Mexican civil aviation agreement is one of the most successful U.S. air transportation agreements and is strong evidence that an open skies relationship can be beneficial to both countries. The liberalized agreement has greatly benefitted Mexico and expanded air service to many cities in both countries by new carriers.

The panel of international travel executives who will discuss the topic of "open skies" and its potential impact on the U.S. travel industry will include; Harvey Shields, director, Office of Research at the USTTA; Blair F. Stevens, director general, Research, Tourism Canada; and Mario Di Constanza, economic studies, Mexico Secretaria de Turismo.

The 1992 Travel Outlook Forum will be held on October 23, 1991 followed by the Travel Industry Association's (TIA) National Conference on October 24 at the Sheraton Washington Hotel in Washington.

The 17th annual Travel Outlook Forum, co-sponsored by the Travel & Tourism Research Association (TTRA), will examine air and auto travel, lodging trends, inbound and outbound international travel, 1991 domestic travel trends and business and leisure travel.

In addition, Dr. Barbara Everitt Bryant, director, Bureau of the Census at the U.S. Department of Commerce, will be the featured luncheon speaker at this year's forum.

Registration for the forum only for TIA/Data Center/TTRA members is $195 (up to Sept. 23), $225 (after Sept. 23); non-members is $220 (up to Sept. 23), $250 (after Sept. 23). The entire two-day forum and conference is $350 for members (up to Sept. 23), $420 (after Sept. 23); non-members is $400 (up to Sept. 23), $470 (after Sept. 23).

For additional information or to register for the forum and conference, call (202) 293-1040.

INSIDE: Results from the 1991 Membership Survey and winner of the free registration to the Travel Outlook Forum

Cost of Travel Increases 1.4 Percent in July

The cost of travel in the United States increased for the second consecutive month in July. The cost of travel in July increased 1.4 percent over the previous month and increased 6.6 percent over the past 12 months, according to the Data Center's latest Travel Price Index (TPI).

The TPI, which measures seasonally unadjusted changes in the cost of travel in the U.S. increased to 146.6 (1982 - 84 = 100) during July.

For comparison, the overall cost of goods and services Americans purchase, as measured by the Consumer Price Index (CPI), increased 0.2 percent in June and rose to 136.2.

Travel Price Index and Components

July 1991 TPI Component	Monthly % Change June 1991 to July 1991	Annual % Change July 1990 to July 1991
Transportation	-1.4	3.8
Airline Fares	-0.3	3.3
Other Intercity Trans.	1.3	4.2
Intracity Public Trans.	0.8	4.1
Motor Fuel	-2.3	4.1
Lodging	4.6	12.9
Food and Beverages Away From Home	0.4	3.6
Entertainment	0.2	5.6
TRAVEL PRICE INDEX	1.4	6.6
CONSUMER PRICE INDEX	0.2	4.5

Source: U.S. Travel Data Center and the U.S. Bureau of Labor Statistics

Airline fares decreased 0.3 percent in July, the fourth decrease in the last five months. In the last 12 months, airline fares increased 3.3 percent. Overall transportation costs decreased for the second consecutive month, dropping more than 1 percent. Even though transportation costs showed a decrease in June, costs increased nearly 4 percent in the last 12 months.

Motor fuel showed a decrease in July for the second consecutive month. The 2.3 percent decrease in motor fuel was the largest decrease since March. Over the last 12 months, however, motor fuel costs have increased more than 4 percent.

Entertainment costs increased slightly in June, rising nearly 1 percent, but jumped more than 5 percent over the last 12 months.

Intracity public transportation showed an increase of less than 1 percent this past July.

Over the past 12 months, the TPI increased 6.6 percent, influenced greatly by rising lodging and entertainment costs. The CPI rose nearly 5 percent over the same 12 month period.

The TPI indicates price changes in travel goods and services available to consumers in the U.S. and does not necessarily represent changes in the average fares, rates and other costs that travelers actually paid.

U.S. Travel Decreases in First Quarter 1991

The volume of travel in the first quarter 1991 showed a slight decrease from the first quarter in 1990, according to preliminary numbers from the Data Center's National Travel Survey.

"The euphoria of U.S. residents after the conclusion of the Gulf War helped increase travel in March, but declines in January and February attributed to a slight decrease in the first quarter of 1991," said Elizabeth Stewart, manager of market research at the Data Center.

There were a total of 238.9 million person-trips in the first quarter of 1991, which includes January, February and March. The 1991 total was a decrease of 0.1 percent over the first quarter of 1990. (A person-trip is one person traveling 100 miles or more away from home.)

The number of trips taken in the first quarter of this year decreased nearly 3 percent. There were a total of 124.2 million trips in the first quarter of last year, compared to 120.8 million trips this year.

There were fewer trips being taken, but more people were on the road compared to the first quarter of last year, according to Stewart.

Preliminary numbers from the Data Center show that travel in April 1991 will show an increase over the previous April. For additional information, contact Elizabeth Stewart at (202) 293-1040.

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Traveler's Demographic Characteristics Remain Stable

In general, travelers demographic characteristics remained stable in 1990, according to the U.S. Travel Data Center's *1990 Travel Market Report.*

Fifty-four percent of 1990 travelers were male, 46 percent female. In addition, 60 percent of all travelers were married with the average age being 41 years old.

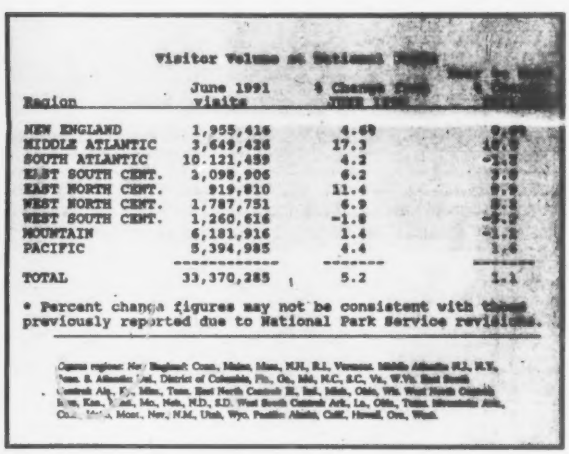
More than half of the travelers held professional/managerial or other white collar jobs, 15 percent were retired, 29 percent had a household income of at least $50,000 and nearly 70 percent of 1990 travelers owned their own homes, according to the report.

Among the information contained in *The 1990 Travel Market Report* are statistics on auto and air travel, hotel/motel use, travel by various age groups and a breakdown of vacation, pleasure, weekend and business travel in the United States.

The statistics come from the Data Center's National Travel Survey, a monthly telephone survey of 1,500 U.S. adults. The report can be purchased for $165 by contacting the Data Center at (202) 293-1040. *(Data Center members will be receiving a complimentary copy.)*

Data Center Announces Survey Results, Prize Winner

The majority of Data Center membership are satisfied with membership services and benefits, but some are still not aware of all services available, according to a recent Data Center membership survey.



Visitor Volume at National Parks

Region	June 1991 visits	% Change June 91	%
NEW ENGLAND	1,955,416	4.69	0.69
MIDDLE ATLANTIC	3,649,426	17.3	10.1
SOUTH ATLANTIC	10.121,459	4.2	-1.2
EAST SOUTH CENT.	3,098,906	6.2	3.8
EAST NORTH CENT.	919,810	11.4	8.9
WEST NORTH CENT.	1,787,751	6.9	2.1
WEST SOUTH CENT.	1,260,616	-1.8	-5.9
MOUNTAIN	6,181,916	1.4	-1.2
PACIFIC	5,394,985	4.4	1.6
TOTAL	33,370,285	5.2	1.1

* Percent change figures may not be consistent with those previously reported due to National Park Service revisions.

Census regions: New England: Conn., Maine, Mass., N.H., R.I., Vermont. Middle Atlantic N.J., N.Y., Penn. S. Atlantic: Del., District of Columbia, Fla., Ga., Md., N.C., S.C., Va., W.Va. East South Central: Ala., Ky., Miss., Tenn. East North Central: Ill., Ind., Mich., Ohio, Wis. West North Central: Iowa, Kan., Minn., Mo., Neb., N.D., S.D. West South Central: Ark., La., Okla., Texas. Mountain: Ariz., Colo., Idaho, Mont., Nev., N.M., Utah, Wyo. Pacific: Alaska, Calif., Hawaii, Ore., Wash.

The survey revealed that Travel Printout, the Outlook for Travel and Tourism and Survey of State Travel Offices were the most widely used publications. In addition, nearly 90 percent of membership were satisfied with Travel Printout.

Several members are not aware of all the services that are available at the Data Center. Forty-six percent were not aware that any organization could add more questions to the National Travel Survey and 43 percent were not aware of member discounts on custom research.

The winner of the free registration to this year's Travel Outlook Forum in Washington was Wally Biermann of the Illinois Department of Commerce and Community Affairs. The Data Center would like to thank all the members for their input and suggestions.

Discoveries...

During the three-month period of the Persian Gulf War, 3.1 percent of the general population and 4 percent of all travelers changed or canceled at least one trip since January 1991, according to the Travel Industry Association's report, Industry in a Crisis: The Impact of the Persian Gulf War on the U.S. Travel Industry.

The benchmark report, conducted by The U.S. Travel Data Center, contains survey information collected during February, March and April 1991, the height of the Persian Gulf crisis. The Data Center interviewed 4,500 U.S. adults during the three-month period.

Despite the uncertain travel atmosphere in March and April, just 11 percent of all travelers said they planned to travel less in the next six months than they did last year, and 22 percent said they planned to travel more.

In addition, only 4 percent of travelers said they would travel less in the six months because of safety reasons. The average safety rating for different types of travel also correspond to actual traffic in the same period of time as indicated by international travel, which registered the lowest average safety rating by those surveyed and also showed the sharpest decline in traffic during the first quarter 1991.

Other highlights from the report include; traveler perceptions, the impact of the crisis on individual segments of the travel industry and a historical analysis on the impact of the 1981-83 recession compared to the impact of the current recession. The report can be purchased for $25 by contacting Kirsten Luescher of TIA at (202) 293-1433.

To submit your company's travel research projects, send a brief description of the report, including the price, address and contact name to: Travel Printout, U.S. Travel Data Center, 1133 21st Street, Washington, D.C., 20036.

Current Travel Indicators - 1990/91

	Month	Value	Units	Percent Change Last Month	Year Ago	Year To Date
Establishment Receipts or Retail Sales						
Hotels, Motels, Other Lodging Places(1)	June	$6,283	million	12.2	10.0	1.9
Eating and Drinking Places(2)	July	$16,010	million	-0.1	4.7	3.4
Gasoline Service Stations(2)	July	$10,685	million	-0.9	3.2	6.4
Commercial Lodging Demand						
Hotel/Motel Occupancy Rates(3)	June	61.7	percent	-0.8	-5.4	-5.4
Real Demand for Commercial Lodging(4)	May	65.7	million	0.3	1.0	-0.6
	June	70.0	million	6.7	0.3	-0.5
Airline Passenger Traffic (5)						
Domestic Revenue Passenger-Miles	July	31.3	billion	6.7	-0.6	-1.5
Int'l Revenue Passenger-Miles	July	12.3	billion	9.5	-1.2	-7.9
Highway Traffic Volume (6)						
Rural Arterial Passenger-Miles	June	48.4	billion	2.8	1.2	-0.4
Rail Passenger Traffic (7)						
Amtrak Passenger-Miles	June	577.2	million	6.5	6.2	3.4
Travel Price Index (1982 - 84 = 100) (8)	July	146.6		1.4	6.6	9.2
Visitor Volume at National Park Service Areas (11)						
Recreation Visits	June	33,370,285		31.9	5.2	1.1
Overnight Stays	June	2,703,210		67.9	5.5	2.5
Foreign Arrivals to the U.S.						
From Overseas(12)	Nov	1,120,434		-11.5	16.3	6.9
	Dec	1,329,701		18.6	14.7	7.6
From Canada(13)	June	1,417,635		-2.7	18.5	9.1
From Mexico(12)	Nov	N/A				
U.S. Citizen Departures						
To Overseas(12)	Dec	1,262,000		18.0	3.6	8.0
To Canada(13)	June	1,545,826		46.5	-3.5	-2.1
Domestic Demand for Gasoline						
Barrels/Day(14)	June	7,587	thousands	1.5	0.9	-0.6

(1) Source: Smith Travel Research, seasonally adjusted. (2) Preliminary; revised monthly. Source: Bureau of the Census. (3) Source: Smith Travel Research, seasonally adjusted. 1986 and 1987 data have been revised. (4) Smith Travel Research, unadjusted room nights sold. (5) Preliminary; U.S. scheduled service air carriers. Source: Air Transport Association. (6) Preliminary revised monthly. Source: Federal Highway Administration. (7) Source: National Railroad Passenger Corporation (Amtrak). (8) Source: U.S. Travel Data Center and Bureau of Labor Statistics. (9) Source: U.S. Travel Data Center. (10) U.S. Travel Data Center. Data is not comparable to earlier published numbers due to revised methodology. (11) Preliminary; unadjusted for differences in reporting units. Source: National Park Service. (12) Source: U.S. Travel and Tourism Administration. Data reflect 194 arrivals only. (13) Statistics Canada. (14) Preliminary; Source: U.S. Department of Energy.

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